

March 28, 2017

The regular meeting of the Council of the City of Martinsville, Virginia was held on March 28, 2017 in Council Chambers, Municipal Building, at 7:30 PM with Mayor Gene Teague presiding. Council Members present included Gene Teague, Chad Martin, Jennifer Bowles, Sharon Hodge and Kathy Lawson. Staff present included City Manager Leon Towarnicki, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Clerk of Council Karen Roberts, Finance Director Linda Conover, Commissioner of Revenue Ruth Easley and Police Captain Rob Fincher.

Mayor Teague called the meeting to order and advised Council would go into Closed Session beginning at 7:00 PM. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Council Member Bowles, seconded by Council Member Lawson, with the following 5-0 recorded vote: Vice Mayor Martin, aye; Council Member Lawson, aye; Council Member Hodge, aye; Council Member Bowles, aye; and Mayor Teague, aye. Council convened in Closed Session to discuss the following matters: (A) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the Session. A motion was made by Council Member Hodge, seconded by Council Member Lawson, with the following 5-0 recorded vote in favor to return to Open Session: Mayor Teague, aye; Council Member Hodge, aye; Council Member Bowles, aye; Vice Mayor Martin, aye; and Council Member Lawson, aye.

Following the invocation by Council Member Lawson and Pledge to the American Flag, Teague welcomed everyone to the meeting.

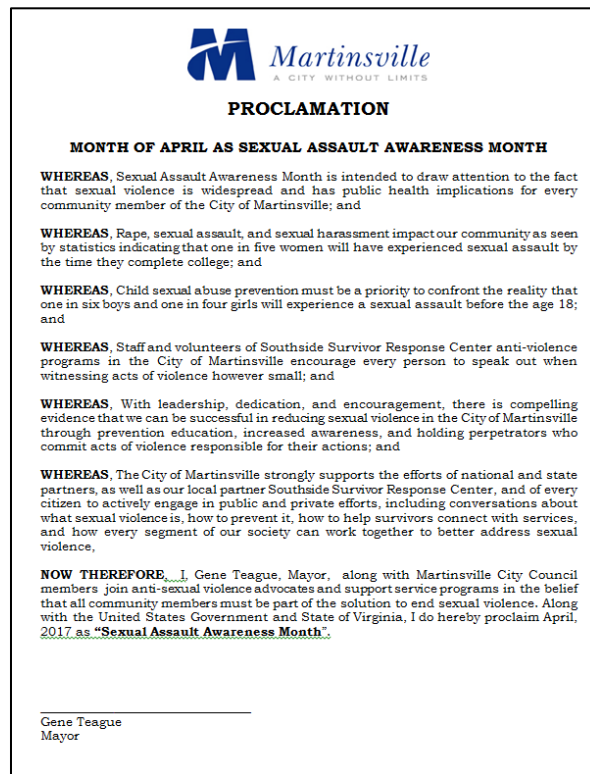
Consider approval of minutes from March 10 and 11, 2017 Strategic Planning Session and March 14, 2017 Council Meeting – Council Member Bowles made a motion to approve minutes as presented, Council Member Hodge seconded the motion with all Council Members voting in favor.

Hear an overview of the March 27, 2017 Northside/Chatham Heights area neighborhood tour and meeting – City Manager Towarnicki summarized the Northside and Chatham Heights tour including specific areas visited and issues recognized. Towarnicki also detailed information shared by Property Maintenance, the Fire Department and the Police Department as well as concerns expressed by residents at the neighborhood meeting and actions that would be taken. Towarnicki thanked Rev. Hatfield and the Chatham Heights Baptist Church for hosting the meeting.

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Presentation of proclamation recognizing April as Sexual Assault Awareness Month –

Mayor Teague read the proclamation and representatives from the Southside Survivor Response Center were present and expressed their appreciation for Council's support.



Consider adoption of a Resolution recognizing April as Fair Housing Month and

expressing the City's pledge to provide equal housing opportunities for all citizens – Mayor Teague read the resolution. Council Member Bowles made a motion to approve the resolution; Council Member Hodge seconded the motion. Hodge reminded Council and residents of a previous discussion regarding housing in the area and amendments related to problem landlords and asked that Council continue to move forward with action. Mayor Teague asked City Manager Towarnicki and City Attorney Monday to bring that information back to Council after budget is complete. All Council Members voted in favor of the resolution.

<i>Council Members</i> Gene Teague, Mayor Chad Martin, Vice-Mayor Jennifer Bowles Sharon Brooks-Hodge Kathy Lawson	 <b>Martinsville</b> <small>A CITY WITHOUT LIMITS</small>	<i>City Manager</i> Leon E. Towarnicki <i>City Attorney</i> Eric H. Monday <i>Clerk of Council</i> Karen Roberts
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**FAIR HOUSING RESOLUTION  
OF THE  
MARTINSVILLE CITY COUNCIL**

**WHEREAS**, the City of Martinsville strives to promote principles of Equal Housing Opportunity by prohibiting discrimination practices in the sale, rental and financing of housing and in implementing its housing and community development programs in a manner to affirmatively further the purposes of the fair housing laws; and

**WHEREAS**, the basis for discrimination outlawed by the federal and state fair housing acts are race, color, sex, religion, national origin, handicap, age and familial status; and

**WHEREAS**, the City of Martinsville believes persons of similar levels should have available to them a like range of housing opportunities and will work to promote equality and freedom of choice; now therefore,

**BE IT RESOLVED** by the Martinsville City Council that, on this 28th day of March 2017, in recognition of April as Fair Housing Month, it does hereby pledge to work with its citizens in pursuit of the shared goal and responsibility for providing equal housing opportunities for all persons.

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Attest:

Karen Roberts, Clerk of Council  
**March 28, 2017**  
Date Adopted

55 West Church Street, P. O. Box 1112, Martinsville, VA 24114-1112 276-403-5180 Fax: 276-403-5280  
www.martinsville-va.gov

Consider approval of a resolution authorizing a public hearing and approving related actions related to potential financing of the City's sewer interceptor project – City Manager Towarnicki detailed the financing agreement authorized to cover the sewer interceptor project, this resolution being the first step that will be needed to move forward with the financing for this project. Council Member Hodge made a motion to approve the resolution, Council Member Lawson seconded the motion with all Council voting in favor.

<p style="text-align: center;"><b>RESOLUTION AUTHORIZING PUBLIC HEARING AND APPROVING RELATED ACTIONS RELATED TO POTENTIAL FINANCING</b></p> <p><b>WHEREAS</b>, the City Council (the "City Council") of the City of Martinsville, Virginia (the "City") is considering financing the acquisition, construction, renovation and equipping of sewer system repairs, replacements, and capital improvements, all for municipal purposes (together, the "Project") through the issuance of the City's water and sewer revenue bonds in the outstanding principal amount not to exceed \$11,740,000 (the "Bonds").</p> <p><b>NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MARTINSVILLE, VIRGINIA:</b></p> <ol style="list-style-type: none"><li>1. The City Manager, Finance Director, City Attorney, bond counsel to the City and all other officers, employees and agents of the City are hereby authorized and directed to take such further action deemed necessary or desirable to facilitate consideration of the proposed Bonds, including but not limited to the publication and broadcasting of notice of a public hearing as required by law.</li><li>2. All actions of the City Manager, Finance Director, City Attorney, bond counsel, financial advisor and all other officers, employees and agents of the City in furtherance of the issuance of the Bonds, including applications for one or more loans from the Virginia Clean Water Revolving Loan Fund, are hereby approved and ratified.</li><li>3. This Resolution shall take effect immediately.</li></ol>	<p style="text-align: center;"><b>CERTIFICATE</b></p> <p>The Members of the Council voted as follows on the foregoing Resolution:</p> <table border="0" style="width: 100%;"><tr><td style="text-align: center;"><u>Ayes</u></td><td style="text-align: center;"><u>Nays</u></td></tr><tr><td style="text-align: center;"><u>Absent</u></td><td style="text-align: center;"><u>Abstentions</u></td></tr></table> <p>Adopted this _____ day of _____, 2017.</p> <p>_____</p> <p>The undersigned Clerk of the City Council of the City of Martinsville, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on March 28, 2017, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Resolution, a quorum was present, and that such Resolution has not been repealed, revoked, rescinded or amended.</p> <p>Dated this _____ day of _____, 2017.</p> <p>_____ Clerk, City Council of City of Martinsville, Virginia</p>	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstentions</u>
<u>Ayes</u>	<u>Nays</u>				
<u>Absent</u>	<u>Abstentions</u>				


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Conduct two public hearings required under the exemption ordinance enacted in January 2007 for two organizations requesting local tax exemption and consider granting the requested exemption – City Manager Towarnicki thanked Commissioner of Revenue Ruth Easley for her work on the reports provided. Easley said that Act 4 Ministries, Inc. had pulled their request for exemption. Life Stages Enrichment Services, Inc. has a for-profit side and a nonprofit side. IF Council chooses to grant the exemption approval, they will need to determine what kind of exemption the organization will qualify for and classify the organization as either benevolent or charitable. Life Stages representative Valerie Udofia detailed the Life Stages Enrichment Services program which serves mental health clients in the Martinsville-Henry County area and stated transportation for their appointments is a concern. Another component including housing would be a separate entity from other services. The organization serves 70-80 meals each week and provides a food pantry to those in need. Council Member Hodge confirmed that the food bank services would be included. Udofia confirmed that they transport approximately 50 clients each week at no charge. Average age of clients is 21 years of age and up and funding comes mostly from in-kind donations outside of the client base. The organization is looking at fundraising options to purchase a building, which would allow them to service over 100 clients. The food bank is for the community and not just their clients. Community meals are provided Tuesdays, Wednesdays and Thursdays and they also provide a meal to take home. Mayor Teague opened the public hearing. No one approached the podium; Teague closed the public hearing. Easley was invited back to share the recommendation. Easley explained options and recommendations and clarified stipulations with Ms. Udofia. The review committee recommends that because of the close relationship of the two organizations, exemption lines may be crossed and the review committee does not recommend an exemption at this time. Council Member Hodge says after hearing details from the organization, transportation is an important aspect in this area; Hodge made a motion to grant the exemption, no one seconded the motion so motion dies. Council Member Bowles expressed concern on the vehicle registrations and real estate property tax. Udofia explained that both vehicles are registered under the Enrichment Services organization and were registered according the DMV requirements. She also confirmed that there is no budget for employees; they have volunteers only who are committed to the cause. This organization will treat those clients who are turned away by other organizations in the community due to their actions or the severity of their mental instability. Teague said the exemption request applies to not only the organization today, but also any actions and property obtained in the future. Bowles stated that she is willing to consider the personal property but not real estate. Hodge suggested if Council considers the personal property exemption at this time and not the real estate, then they could request that again at a later date. Council Member Bowles made a motion that Section 21-12

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of the City Code be amended to grant a local tax exemption for personal property owned by Life Stages Enrichment Services, Inc. and that the organization is hereby classified and designated as a charitable organization within the context of Section 6(a)(6) of Article X of the Constitution of Virginia; Council Member Hodge seconded the motion with all members voting in favor.

 <p><b>Exemption Review Committee Report</b> March 1, 2017</p> <p>The Martinsville City Manager appointed an Exemption Review Committee to consider the applications and make a recommendation for two non-profit entities that submitted a request for a local tax exemption to the Martinsville Commissioner of the Revenue. The review committee members were: Leon Towarnicki, City Manager; Jennifer Bowles, City Council Member; Ruth Easley, Commissioner of the Revenue; Cindy Dickerson, City Treasurer; and Mary Kay Washington, Staff Accountant Martinsville Finance Department. The Exemption Review Committee met on March 1, 2017 to review the requests and submit the following report and recommendations:</p> <p><b>Applicant:</b> Act 4 Ministries, Inc.</p> <p><b>Organization Mission Statement:</b> To meet both the physical and spiritual needs of hurting individuals. With God's direction, we will be the hands and feet of Christ as we reach out and help His creation in a variety of different situations.</p> <p><b>Answers to Review Criteria:</b></p> <ol style="list-style-type: none"><li>1. The organization has been granted IRS 501 (c) (3) designation</li><li>2. The organization does not have an annual special events ABC license</li><li>3. The organization's application indicates that there are no employees and the officers do not receive salaries.</li><li>4. Net earnings of the organization do not inure to the benefit of any individual.</li><li>5. The organization's stated purpose of the residential properties for which they are requesting exemption is for transitional housing for single mothers.</li><li>6. No substantial part of the organization's activities is to influence legislation or campaign on behalf of a political candidate.</li><li>7. Real Estate Tax Revenue Impact: \$1,979.75 is the current annual tax assessment for the 2 properties owned by the organization.</li><li>8. The organization does provide a community service that, in the opinion of the members of the Exemption Review Committee, exceeds the revenue loss.</li></ol>	<p><b>Additional Review Criteria:</b></p> <ol style="list-style-type: none"><li>a. The organization has unpaid real estate tax late payment penalty and interest from the first half installment of the FY 2017 real estate tax bill.</li><li>b. The organization has not obtained building permits for any of the renovation work that is necessary for the 311 Stirling Ave. property, but depending on the nature of the work, they may not need one. The organization has stated that the property 311 Stirling Ave. property is not currently being used for transitional housing because of the need for renovation. However, the property at 231 Stirling Ave. is being used for transitional housing. Both properties are zoned P-2. The previous use of the property at 311 Stirling Ave. was a child day care center.</li><li>c. The properties for which the exemption is sought potentially relate to the purposes for which the organization was created.</li><li>d. The City does not provide transitional housing services but does provide assistance to other exempt organizations that provide some housing assistance.</li><li>e. The organization is providing specific services to single mothers that are not currently being provided by other known organizations.</li><li>f. The city's Comprehensive Plan encourages the development of transitional housing for single men and families with a male householder present, but is silent on transitional housing for single mothers.</li><li>g. Other criteria to consider: No other criteria was considered by the committee.</li></ol> <p><b>Fiscal Impact:</b></p> <p>The organization currently owns 2 properties: 231 Stirling Avenue and 311 Stirling Avenue. Current annual tax on 231 Stirling Avenue is \$1,104.58. Current annual tax on 311 Stirling Avenue is \$875.17. Total annual real estate tax for both properties is \$1,979.75. The assessed value of 311 Stirling Avenue will drop effective July 1, 2017 due to the biennial reassessment lowering the potential total revenue impact for both properties in FY 2018, if the tax rate remains at the current rate of \$1.0621, to \$1740.78.</p> <p>The organization has not reported owning any business personal property in the City of Martinsville.</p> <p><b>Review Committee Recommendation:</b></p> <p>The Review Committee recommends granting an exemption for real property used for the organization's stated mission purpose.</p>
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<p><b>Applicant:</b> Life Stages Enrichment Service, Inc.</p> <p><b>Organization Mission Statement:</b> To provide profound services and resources to persons in the community. Our efforts will be displayed through our agency's willingness to help, protect and enhance the quality of life of those at risk in our community.</p> <p><b>Answers to Review Criteria:</b></p> <ol style="list-style-type: none"><li>1. The organization has been granted IRS 501 (c) (3) designation</li><li>2. The organization does not have an annual special events ABC license.</li><li>3. The organization's application indicates that there are no employees and the officers do not receive salaries.</li><li>4. Net earnings of the organization do not inure to the benefit of any individual.</li><li>5. The organization's exemption application indicates that they provide the following services: payee services, transportation to medical appointments and similar appointments, and housing assistance.</li><li>6. No substantial part of the organization's activities is to influence legislation or campaign on behalf of a political candidate.</li><li>7. Real Estate Tax Revenue Impact: \$0. The organization owns no real property. The property from which they operate their payee services is located at 316 Brown Street which was previously owned by the organization founder and president, Torey Morris. The property is now owned by A F Housing LLC and has the same mailing address as Life Stages Enrichment Service, Inc. and the for-profit Life Stages, Inc.</li></ol> <p><b>Personal Property Revenue Impact:</b> The personal property reported on the exemption application are a 2012 Ford Cutaway Van and a 2012 Ford E350 Van, however, the E350 is actually registered to the for-profit entity Life Stages, Inc. 2017 combined assessed value of the vehicles actually registered to Life Stages Enrichment Services Inc. is \$11,900. The assessed value of vehicles registered to the for-profit Life Stages, Inc. is \$38,340. Assuming the personal property tax rate remains at \$2.30 per \$100 of assessed value, the FY 2018 personal property revenue impact will be \$273.95 for just the two vehicles that are actually registered to Life Stages Enrichment Services Inc. The organization did not provide an itemization of business equipment. It is assumed that the organization is using the business equipment reported by the for-profit entity Life Stages Inc. which is also operated from the 316 Brown St. location.<li>8. The organization provides services that are currently provided by both non-exempt non-profit and for-profit entities.</li><p><b>Additional Review Criteria:</b></p><ol style="list-style-type: none"><li>a. The non-profit organization was not established until March 22, 2016 and was not subject to taxation for the 2016 tax year.</li></ol></p>	<ol style="list-style-type: none"><li>b. The organization does not currently own real property. The property listed as the business address for the organization is zoned P-2. Current business activities provided at the 316 Brown Street location are compliant with the P-2 zoning.</li><li>c. The personal property for which the exemption is sought potentially relate to the purposes for which the organization was created. Again, no real property is currently owned by the organization.</li><li>d. The City does not provide payee services, but some transportation services are provided by the Senior Center. In addition, another non-exempt non-profit organization and other for-profit entities provide transportation services. The city has transferred its housing services to the City of Danville Housing Services.</li><li>e. The services provided by the organization are currently being met by other non-exempt non-profit entities or by for-profit entities.</li><li>f. Other criteria to consider: No other criteria was considered by the committee.</li></ol> <p><b>Fiscal Impact:</b></p> <p><b>Real Estate Tax Revenue Impact:</b> \$0. The organization owns no real property. The property from which they operate their payee services is located at 316 Brown Street which was previously owned by the organization founder and president, Torey Morris. The property is now owned by A F Housing LLC and has the same mailing address as Life Stages Enrichment Service, Inc. and the for-profit Life Stages, Inc.</p> <p><b>Personal Property Revenue Impact:</b> The personal property reported on the exemption application are a 2012 Ford Cutaway Van and a 2012 Ford E350 Van, however, the E350 is actually registered to the for-profit entity Life Stages, Inc. 2017 combined assessed value of the vehicles actually registered to Life Stages Enrichment Services Inc. is \$11,900. The assessed value of vehicles registered to the for-profit Life Stages, Inc. is \$38,340. 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The organization also, does not own real property and has requested a real estate tax exemption in addition to the personal property tax exemption. Because of the close association of the for-profit Life Stages Inc. with the activities of the non-profit Life Stages Enrichment Services Inc. there is concern that if an exemption is granted for real and personal property all of the property currently titled to the for-profit entity will be transferred to the non-profit entity. Once a local tax exemption is granted to a non-profit entity the exemption is</p>
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extended to all future property acquired by the entity, provided it is used for the exempt purposes for which the exemption was granted and the property does not become a source of substantial income. For these reasons the Review Committee does not recommend granting a tax exemption at this time.



#### **GUIDELINES FOR CONSIDERING REQUESTS FOR EXEMPTIONS FROM LOCAL TAXATION**

Article X, §6(a)(6) of the Constitution of Virginia and Code of Virginia §58.1-3651 authorize local governing bodies to provide exemptions from local taxation for the real and/or personal property owned by non-profit organizations that use the property exclusively for religious, charitable, patriotic, historical, benevolent, or cultural purposes or as dedicated public parks or playgrounds. The local governing body must adopt an exemption ordinance establishing the restrictions and conditions of the tax exemption.

Exemptions as provided by Code of Virginia §58.1-3600 – 58.1-3650.1001, or any other general or special act of the Virginia General Assembly prior to January 1, 2003 will continue to be effective provided the property is owned and used in conformance with the provisions of law that provided the exemption. Exempt properties will be subject to a triennial review to ensure continued compliance with the exemption provisions.

Exemptions may be granted by the Martinsville City Council to organizations that meet a general public need for services provided to the community at-large which exceed the City's loss in revenue from taxes assessed on the organization's real and personal property. Exemptions will not be granted to organizations that have rules, regulations, policies or practices that unlawfully discriminate on the basis of religious conviction, race, color, sex or national origin.

#### **Application Procedures:**

1. A non-profit organization seeking exemption from its real or personal property, or both, must file an application with the Commissioner of the Revenue.
2. The Commissioner of the Revenue will conduct an initial review of each application to determine if the applicant qualifies for a state code exemption. If an applicant does not meet the criteria for a state code exemption, but may be eligible for a local exemption granted by the Martinsville City Council, then the application will be forwarded to the

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3. City Manager for review and to report his findings to the City Council. Local exemption designations will only be considered by the City Council during its annual budget process. Applications for a local exemption determination must be filed with the Commissioner of the Revenue by November 1<sup>st</sup>.
4. As part of the application process, the organization shall provide the following information: names and addresses of officers, directors, managing members, trustees or partners as applicable; a statement of the salaries or other compensation, if any, received by the 3 highest paid employees of the organization; a complete description of the property for which the exemption is sought (for real estate, the organization shall list the gross square footage of any improvements and indicate the square footage that will be used by the applicant organization for their exempt purpose); a description of the property use and how it relates to the qualifying exemption; and a completed Exemption Criteria Review Questionnaire (see Review Criteria below).
5. The applicant organization must also provide copies of the organization's Internal Revenue Service determination letter; its Articles of Incorporation or Organization along with any amendments to the Articles; Organization By-Laws; and Certificate of Good Standing from the State Corporation Commission.
6. If requested by the Commissioner of the Revenue, the organization shall provide copies of its federal and state returns and its financial statements for the prior two years.
7. A public hearing will be conducted by the City Council on the application for local exemption. Notice of the hearing will be published at least once in a newspaper of general circulation at least 5 days prior to the public hearing.
8. Local exemptions shall be granted only by ordinance by the Martinsville City Council after conducting a public hearing. The ordinance shall specify the use that is the basis for the local exemption, stipulate that the continuance of the local exemption is contingent on the applicant organization's continued use of the property in accordance with the purpose for which the organization is designated or classified, and shall contain any other conditions or restrictions as determined by the Martinsville City Council.
9. If the Martinsville City Council grants an exemption, it will become effective for the tax year effective date for which the exemption is granted (January 1<sup>st</sup> for personal property, July 1<sup>st</sup> for real estate.)

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10. Once granted, a local exemption will be effective until the organization no longer qualifies, until the specific use on which the local exemption is based ceases, or until revoked by the Martinsville City Council as provided by law, whichever occurs first.
11. State code exemptions granted, as determined by the Commissioner of the Revenue, will be effective until the organization no longer qualifies or the specific use on which the exemption is based ceases.
12. Any organization that is granted a state code or local exemption shall file a renewal application with the Commissioner of the Revenue every three years as a requirement for retention of the exemption.

#### **Review Criteria:**

Before adopting an ordinance granting a property exemption the City Council is required by Code of Va. 58.1-3651 to consider the following:

- 1) Whether the organization is exempt from taxation pursuant to §501 (c) of the Internal Revenue Code of 1954;
- 2) Whether a current annual alcoholic beverage license for serving alcoholic beverages has been issued by the Virginia Alcoholic Beverage Control Board to such organization, for use on such property;
- 3) Whether any director, officer or employee of the organization is paid compensation in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered by such director, officer or employee;
- 4) Whether any part of the net earnings of such organization inures to the benefit of any individual;
- 5) Whether any significant portion of the service provided by such organization is generated by funds received from donations, contributions or local, state or federal grants. As used in this subsection, donations shall include the providing of personal services or the contribution of in-kind or other material services;
- 6) Whether the organization provides services for the common good of the public;
- 7) Whether a substantial part of the activities of the organization involves carrying on propaganda, or otherwise attempting to influence legislation and whether the organization participates in, or intervenes in, any political campaign on behalf of any candidate for public office; and
- 8) The revenue impact to the City and its taxpayers of exempting the property.

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<p>9) The City Council should consider the following criteria, facts and circumstances as may be pertinent:</p> <ul style="list-style-type: none"> <li>(a) Whether the organization is current on all its obligations to the City;</li> <li>(b) Whether the organization is in compliance with all City ordinances and regulations, including (but not limited to) building, subdivision and zoning ordinances;</li> <li>(c) Whether the property for which the exemption is sought relates to the purposes for which the organization was created and tends to directly promote those purposes;</li> <li>(d) Whether the service(s) provided by the organization are services the City would provide if the requesting organization did not do so;</li> <li>(e) Whether the organization meets a general public need for which the benefits derived by the community at-large are equivalent to or exceed the City's loss in revenue from taxes on the entity's real and personal property;</li> <li>(f) Whether the service(s) provided by the organization meet an established priority of the City Council; and</li> <li>(g) Any other criteria, facts and circumstances that the Council may deem appropriate and pertinent.</li> </ul> <p><b>Triennial Review; Revocation of Exemption:</b></p> <p>1. With the exception of the United States and the Commonwealth, or any political subdivision thereof, any organization which has been granted exemption from taxation shall file an application with the Commissioner of the Revenue every three (3) years as a requirement for retention of the exemption granted.</p> <ul style="list-style-type: none"> <li>a. Review applications under this paragraph shall be filed with the Commissioner of the Revenue not later than December 31st of the year preceding the tax year for which such exemption is sought to be continued.</li> <li>b. Review applications shall include the following information – <ul style="list-style-type: none"> <li>(1) The ownership of the property;</li> <li>(2) The use of the property;</li> <li>(3) Whether the organization has any rule, regulation, policy or practice that discriminates on the basis of religious conviction, race, color, sex or national origin;</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>(4) Whether the organization is current on all its obligations to the City;</li> <li>(5) Whether the organization is in compliance with all City ordinances and regulations, including (but not limited to) building, subdivision and zoning ordinances;</li> <li>(6) Whether the organization has attempted to influence legislation, has participated in, or intervened in, any political campaign on behalf of any candidate for public office;</li> <li>(7) The names and addresses of officers, directors, managing members, trustees or partners, as applicable;</li> <li>(8) A current statement of the salaries or other compensation, if any, paid to officers and directors of the organization;</li> <li>(9) A current statement of the salaries or other compensation, if any, received by the 3 highest-paid employees of the organization;</li> <li>(10) A current Certificate of Good Standing from the State Corporation Commission; and</li> <li>(11) If requested by the Commissioner of the Revenue, copies of its federal and state tax returns and its financial statements for the preceding year.</li> </ul> <p>c. The Commissioner of the Revenue shall conduct an initial evaluation of each review application and any supporting materials using the criteria listed in Section B, above, and shall submit a written report summarizing her evaluation to the City Manager. The Commissioner's report shall specifically address the criteria in Section B. The City Manager will subsequently report those findings to the City Council.</p>
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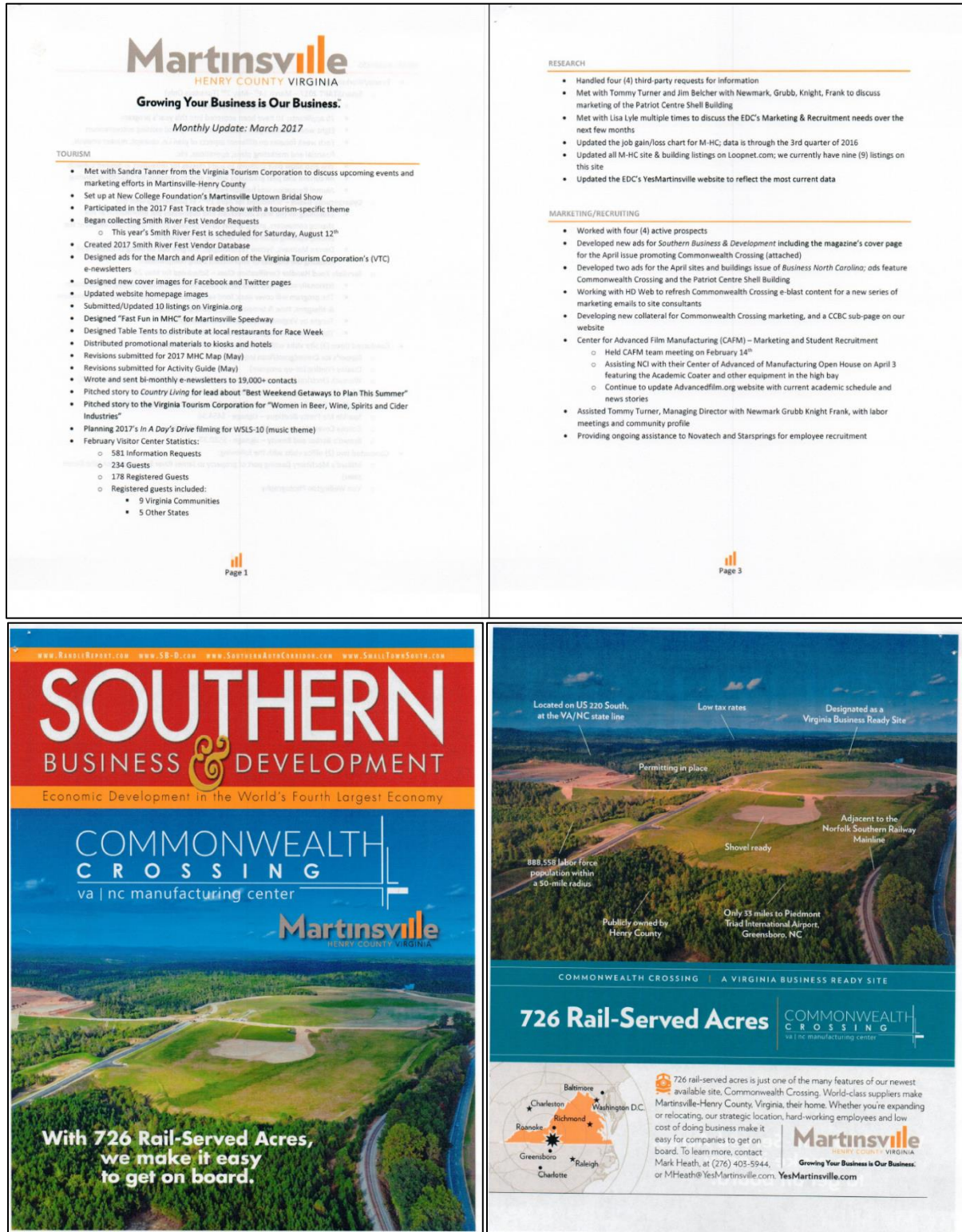
<p style="text-align: center;"><b><u>Exemption Definitions</u></b></p> <p style="text-align: center;"><b><u>As Defined by Va. Courts</u></b></p> <p><b>Benevolent</b> – Philanthropic; humane; having a desire or purpose to do good to men; intended for conferring benefits, rather than for gain or profit. (Maassas Lodge No. 1380, Loyal Order of Moose, Inc. v. County of Prince William, 218 Va. 220, 237 S.E. 2d 102 (1977))</p> <p><b>Charitable</b> – Liberal in benefactions to the poor; beneficent. (City of Richmond v. United Givers Fund of Richmond, Henrico &amp; Chesterfield, Inc., 205 Va. 432, 137 S.E. 2d 876 (1964))</p> <p>NOTE: A charitable organization should be organized and conducted to perform some service of public good or welfare based on the above mentioned court cases.</p> <p style="text-align: center;"><b><u>As Defined by Va. Constitution Article X §6</u></b></p> <p><b>Educational Exemption</b> – Limited to institution of learning operated not for profit, provided the property is used for literary, scientific, or educational purposes or purposes incidental thereto.</p> <p style="text-align: center;"><b><u>As Defined by Webster's New Collegiate Dictionary</u></b></p> <p><b>Cultural</b> – Of or relating to enlightenment and excellence of taste acquired by intellectual and aesthetic training; acquaintance with and taste in fine arts, humanities, and broad aspects of science as distinguished from vocational and technical skills.</p> <p><b>Educational</b> – The field of study that deals mainly with methods of teaching and learning in schools.</p> <p><b>Historical</b> – Of or relating to a branch of knowledge that records and explains past events.</p> <p><b>Museum</b> – An institution devoted to the procurement, care, study, and display of objects of lasting interest or value; a place where objects are exhibited.</p> <p><b>Patriotic</b> – Befitting or characteristic of a patriot (one who loves his country and zealously supports its authority and interests.)</p>
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<p style="text-align: center;"><b><u>Sample Motion Granting Local Tax Exemption</u></b></p> <p><b><u>Sample Motion for Acts 4 Ministries Inc.:</u></b></p> <p>I move that Section 21-12 of the City Code be amended to grant a local tax exemption for  <i>(real property, personal property or both)</i> owned by <i>(Acts 4 Ministries Inc.)</i>. And that  the organization is hereby classified and designated as a <i>(benevolent or charitable)</i>  organization within the context of Section 6(a)(6) of Article X of the Constitution of  Virginia.</p> <p><b><u>Sample Motion for Life Stages Enrichment Services, Inc.:</u></b></p> <p>I move that Section 21-12 of the City Code be amended to grant a local tax exemption for  <i>(real property, personal property or both)</i> owned by <i>(Life Stages Enrichment Services, Inc.)</i>.  And that the organization is hereby classified and designated as a  <i>(benevolent or charitable)</i> organization within the context of Section 6(a)(6) of Article  X of the Constitution of Virginia.</p>
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Hear an update from the Martinsville-Henry County Economic Development Corporation – Mark Heath with the EDC was present and provided a monthly update regarding tourism, small business, research, and marketing/recruiting. Heath presented a video with information regarding the existing industry grant fund FY2015-FY2017, 2016 Martinsville-Henry County announced projects and new job positions, and Commonwealth Crossing promotion ads including a video. Heath said the Clearview site has been recommended to a client and hopes it will be a good fit. He said he would provide a report on

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how many employment positions are available verses those positions filled. Vice Mayor Martin asked that the ads be added to a jump drive for easy share with potential businesses.



Hear an update on planned route changes related to the addition of a third bus and route to the local transit system – City Manager Towarnicki summarized the route changes that would go in to affect with the addition of a third bus, sharing the route map and tentative bus stop locations. There will be a meeting Monday April 10 at 6:30pm at Virginia Museum. Monday April 24 will begin a “soft-start” route where the additional bus will begin the new



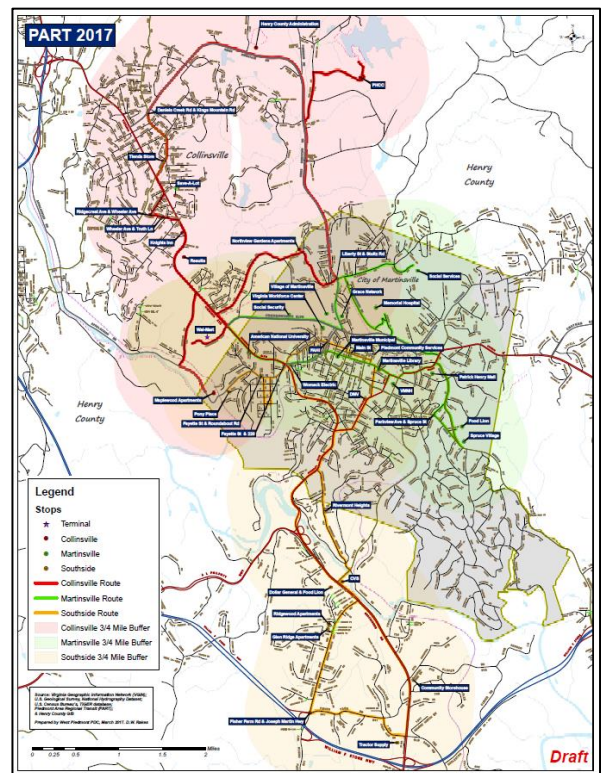
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route; the full route will begin May 1. Signage will be added to new designated stop locations but residents can also flag down the bus or request the bus stop at an unassigned stop. Cost to ride the buses is \$.50/fare. The City and County share the cost 50-50 but it is beneficial considering most stops are within the City limits. Towarnicki hopes to see a 33% increase in residents that utilize the services.

PART Expansion Bus Stops			
Northern/Collinsville Route		Martinsville City Route	
Stop Name	Time	Stop Name	Time
Wal-Mart	:30	Wal-Mart	:30
Northview Gardens Apartments	:37	American National University	:34
Liberty St/Stultz Rd	:41	Womack Electric	:36
Patrick Henry Community College	:49	Martinsville Municipal Building	:39
Henry County Administration	:56	Martinsville Library	:42
Daniels Creek Rd/Kings Mountain Rd	:59	Virginia Museum of Natural History	:44
Daniels Creek Rd/Tienda Store	:01	Patrick Henry Mall	:47
Collinsville Shopping Center	:05	Spruce Street	:49
Wheeler Ave/Ridgecrest Rd	:08	Spruce Village	:51
Wheeler Avenue	:09	Food Lion	:53
Knights Inn	:13	Memorial Hospital	:01
The Results Companies	:15	Department of Social Services	:08
Maplewood Apartments	:21	Grace Networks	:13
		Virginia Workforce Center	:16
		Village of Martinsville	:19
		Social Security	:22


  

Southern Route	
Stop Name	Time
Wal-Mart	:30
Fayette St/Route 220	:34
Fayette St/Roundabout Rd	:37
Pony Place	:39
Dollar General/Food Lion	:55
Community Storehouse	:00
Tractor Supply	:03
Fisher Farm Rd/Joseph Martin Hwy	:05
Glenn Ridge Apartments	:07
Ridgewood Apartments	:10
CVS	:13
Rivermont Heights	:16
DMV	:21
Piedmont Community Services	:23
Main St	:24
Fair	:26



Consider a request by the Virginia Municipal League to submit nominations for membership on the VML 2017 Policy Committees – Council Members volunteered for the committee they wished to serve on this coming year.

March 28, 2017



**OFFICERS**  
March 13, 2017

**PRESIDENT**  
ROBERT K. CONER  
GOVERNOR/ELITE MEMBER

**PRESIDENT-ELECT**  
PATRICIA P. WOODBURY  
NEWPORT NEWS GOV. MEMBER

**VICE PRESIDENT**  
ANITA JONES PRICE  
ROANOKE VICE MAYOR

**PAST PRESIDENT**  
BOB BROWN  
BLACKSBURG MEMBER

**EXECUTIVE DIRECTOR**  
KIMBERLY A. WILSON

**MAGAZINE**  
VIRGINIA TOWN & CITY

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Richmond, Virginia 23209

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Fax 804/343-3758  
www.vml.org

LOCAL GOVERNMENTS WORKING TOGETHER SINCE 1905

**To:** VML Full-Member Key Officials; Council and Board Clerks

**From:** Kim Winn, Executive Director

**Subject:** 2017 VML Policy Committee Nominations

The Virginia Municipal League welcomes your nominations for the 2017 policy committees. Accompanying this memo is a description of the committee process and a nominations form.

Please return your locality's nominations form by April 14. If your community has a May election, you may submit a revised form after your elections.

Please observe the following guidelines with your nominations:

- ✓ Only governing body members and appointed officials (i.e., employees of the local government) are eligible to serve.
- ✓ You may nominate two people to a committee; if two are nominated, at least one should be a governing body member.
- ✓ Individuals may serve on only one committee a year.
- ✓ Please return your nominations form by April 14.

Policy committees traditionally meet in late July in the Richmond area; committee meeting dates and times will be forwarded to you once they are confirmed.

Please call or email Janet Areson at VML (804-523-8522; [jareson@vml.org](mailto:jareson@vml.org)) if you have any questions about the appointment process.

**Attachments**

**VML 2017 Policy Committee Nominations**

Please return this form by April 14 to Joni Terry at VML, P.O. Box 12164, Richmond, VA 23241; Fax 804/343-3758; email: [jerry@vml.org](mailto:jerry@vml.org)

**Community & Economic Development**

Name & Title: COUNCIL MEMBER SHARON HODGE

Name & Title: \_\_\_\_\_

**Environmental Quality**

Name & Title: CITY ATTORNEY ERIC MONDAY

Name & Title: \_\_\_\_\_

**Finance**

Name & Title: MAYOR GENE TEAGUE

Name & Title: CITY MANAGER LEON TOWARNICKI

**General Laws**

Name & Title: VICE MAYOR CHAD MARTIN

Name & Title: \_\_\_\_\_

**Human Development & Education**

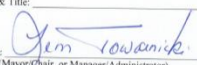
Name & Title: COUNCIL MEMBER JENNIFER BOWLES

Name & Title: \_\_\_\_\_

**Transportation**

Name & Title: COUNCIL MEMBER KATHY LAWSON

Name & Title: \_\_\_\_\_

Signed:  \_\_\_\_\_  
(Mayor/Chair, or Manager/Administrator) Locality: CITY OF MARTINSVILLE, VIRGINIA

**VML's Legislative and Policy Committee Process**

Each year the Virginia Municipal League develops two separate documents -- a legislative program and a compilation of policy statements -- through a process that involves the Legislative Committee and six separate policy committees. The Legislative Committee is responsible for developing the legislative program, but it may also rely on input from the policy committees to do so. The policy committees develop broad policy statements, in addition to submitting specific legislative recommendations for consideration by the Legislative Committee.

**Legislative Committee**

**What is the role of the Legislative Committee?**  
The Legislative Committee is responsible for considering and developing positions on existing or proposed state and federal legislation or regulations, and urging the enactment or amendment of, or opposition to, such legislation or regulations.

**How is the Legislative Committee appointed?**  
VML's Constitution spells out the composition of the Legislative Committee. The committee consists of 24 individuals holding local elective or appointed positions, all appointed by VML's President. Of the 24 members, 12 must be representatives of cities and urban counties with populations in excess of 35,000, six must be representatives of cities and urban counties with populations of 35,000 or less, and six must represent towns.

**What is included in VML's Legislative Program?**  
The legislative program adopted by the Legislative Committee reflects specific legislative objectives that VML hopes to achieve during the upcoming legislative session. It is subject to the approval of VML's membership at the annual conference.

**What is the relationship between the legislative committee and VML's policy committees?**  
The Legislative Committee meets prior to the policy committees to identify issues that it would like the committees to consider for potential inclusion in the league's legislative program. It meets again after the policy committees have met to consider their recommendations.

**Policy Committees**

**What is the role of the policy committees?**  
Policy committees receive briefings on select statewide issues, consider possible changes to the policy statement, and develop legislative recommendations for the Legislative Committee to consider.

**How are policy committees appointed?**  
Policy committee membership consists of elected and appointed officials of full-member local governments. Nomination information is sent in the spring to each locality, and each local government determines which of its officials will be nominated for each of the six policy committees. Each local government may nominate up to two people per policy committee, at least one of whom must be an elected official.

1

**What are the benefits of serving on a policy committee?**  
VML policy committees offer members an opportunity to learn about current and emerging statewide issues that affect local governments, to develop through policy statements the broad philosophical framework that guides the league, and to network with local officials with similar policy interests.

**How many policy committees are there?**  
There are six policy committees: community and economic development, environmental quality, finance, general laws, human development and education, and transportation.

**What issues does each policy committee cover?**

- **Community & Economic Development:** Authority, administration, and funding of local governments to manage a full range of community and economic development issues, including business development and retention, international competitiveness, infrastructure development and investment, planning, land use and zoning, blight, enterprise zones, housing, workforce development and historic preservation.
- **Environmental Quality:** Natural resources and the authority of local governments to manage the environment, including water resources and quality, solid and hazardous waste management, air quality and the Chesapeake Bay.
- **Finance:** Power, organization and administration of local government financing, including taxing authority, debt financing, state aid to local governments and federal policies affecting local finance issues.
- **General Laws:** Powers, duties, responsibilities, organization and administration of local governments, including state-local and inter-local relations, conflicts-of-interest, freedom-of-information, information management and personnel, telecommunications, utilities and law enforcement, jails and courts issues.
- **Human Development and Education:** Management and funding of social services, pre-K-12 education, health, behavioral health, juvenile justice, recreation, rehabilitation and aging.
- **Transportation:** Development, maintenance, and funding of a comprehensive land, sea and air transportation system for the Commonwealth, and federal, state and local roles in the provision and regulation of transportation.

**What is a policy statement?**  
Each policy committee develops a policy statement that covers issues in its respective area. The policy statement expresses the agreement of VML's membership on matters of interest to local governments. The statement generally addresses broad, long-term, philosophical positions. The VML membership approves the policy statements at its annual meeting.

**How do policy statements differ from VML's legislative program?**  
Policy statements are general in nature. They reflect local governments' positions on a range of issues. The Legislative Program is more specific and immediate. It is limited to legislative positions that VML expects to lobby on during the upcoming legislative session.

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Consider approval of consent agenda – Council Member Lawson made a motion to approve the consent agenda as presented; Council Member Bowles seconded the motion with all Members voting in favor.

March 28, 2017

BUDGET ADDITIONS FOR 3/28/2017				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b>FY17</b>				
<b>General Fund:</b>				
01100909	490104	Advance/Recovered Costs		12,817
01812242	506089	Miscellaneous Expense - County Ambulance Fuels	12,817	
		Reimbursement from Henry County for ambulance fuels		
01102926	405555	Federal Categorical - Brownfields Grant - EPA		23,002
01812247	503136	Brownfields - Professional Services - Consultant	23,002	
		Project reimbursement		
01100909	490801	Recovered Costs - Senior Services		2,502
01714212	501300	Senior Citizens - Part-time Wages	1,560	
01714212	502100	Senior Citizens - Social Security	97	
01714212	502110	Senior Citizens - Medicare	23	
01714212	506049	Senior Citizens - Vehicle Fuels	822	
		Transportation Grant - 2nd Qtr		
01100909	490104	Advance/Recovered Costs		11,476
01812242	506067	Misc Expense - RADAR Transit Program	11,476	
		Reimbursement from RADAR for gasoline		
01101917	442402	Categorical Other State - Confiscated Assets - Comm. Attorney		328
01221082	506105	Commonwealth's Attorney - State Confiscated Assets	328	
01101917	442401	Categorical Other State - Confiscated Assets - Police		364
01311085	506078	Police Dept - Conf Assets State	364	
		State Asset Forfeiture Proceeds		
<b>Total General Fund:</b>			<b>50,489</b>	<b>50,489</b>
<b>Sewer Fund:</b>				
13103936	407700	Indebtedness - VRA Loan Proceeds		615,326
13551326	508224	Wastewater Maintenance - SRI Project - Phys. Plant Exp	615,326	
		VRA Reimbursement #10		
<b>Total Sewer Fund:</b>			<b>615,326</b>	<b>615,326</b>

Business from the Floor – Ural Harris, 217 Stewart Street – commented about the public hearing on sewer financing and hopes citizens will be provided total cost the County will cover and what affect this financing will have on residential rates.

Comments by Members of City Council – Council member Bowles congratulated the STAGS robotic team. She announced an academic camp being offered to fourth thru seventh graders sponsored by New Heights Foundation. Vice Mayor Martin shared information regarding the Habitat for Humanity Train the Trainer program at New College Foundation. Mayor Teague reminded residents that this weekend is race weekend and a good opportunity to make our community look good.

Comments by City Manager – City Manager Towarnicki reminded Council that Thursday is the Leadership event and Pattie Farmer's retirement reception. He said the Strategic Plan is being double-checked and a final draft will be available soon. The next Council meeting is April 11 and the budget will be presented that night. Council agreed on April 12, 13, and 17 for budget work session meetings.

There being no further business, Council Member Hodge made a motion to adjourn the meeting; the motion was seconded by Council Member Bowles with all Council Members voting in favor. The meeting adjourned at 9:30pm.

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Karen Roberts  
Clerk of Council

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Gene Teague  
Mayor